THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: April 26, 2022

Subject: North Carolina Department of Environmental Quality - Division of Water Infrastructure Grant and/or State Revolving Fund Application for the Water Resources Department

Staff Resource(s): David Melton, Director and Brenna Cook, Compliance Manager

Action Requested: Adoption of resolution authorizing the Water Resources Department to apply for North Carolina Department of Environmental Quality - Division of Water Infrastructure (NCDEQ-DWI) Grants and/or State Revolving Funding and to authorize the City Manager to sign any documents associated with the acceptance of funds once awarded .

Background:

- The Federal Clean Water Act Amendments of 1987 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction and studies of drinking water treatment works, and/or drinking water distribution systems.
- Grants and/or State Revolving Funds that are approved by NCDEQ-DWI, can be used for the Water Resources Department projects which include Water Treatment Plant upgrades (design and construction), Lead Service Line Inventory, & Distribution System Projects.
- Awarded funding will be utilized following the Water Resources Master Plan and new requirements from NCDEQ for Water Treatment Facilities.

Vendor Outreach Efforts:

- N/A

Council Goal(s):

- A Clean and Healthy Environment

Committee(s):

- N/A

Pro(s):

- The funds received will be grants or low interest loans with potential principal forgiveness.
- Funds received will enable the Water Resources Department to move forward with needed projects and supplement capital expenditures.

Con(s):

- None

Fiscal Impact:

- Water Resources could receive up to $5 Million of ARPA funds for infrastructure improvements and up to $400,000 for planning and designing future projects.
- Water Resources could receive up to $30,000,00 of State Revolving Funds low interest loans for water projects.

Suggested Motion:

- Motion to adopt a resolution authorizing the Water Resources Department to apply for North Carolina Department of Environmental Quality - Division of Water Infrastructure (NCDEQ-DWI) Grants and/or State Revolving Funding, and to authorize the City Manager to sign all documents associated with the acceptance of funds once awarded.

Attachment(s):

- Resolution

RESOLUTION NO. 22-_____

RESOLUTION AUTHORIZING THE WATER RESOURCES DEPARTMENT TO APPLY FOR NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY - DIVISION OF WATER INFRASTRUCTURE GRANTS AND/OR STATE REVOLVING FUNDING

WHEREAS, pursuant to N.C.G.S. § 160A-312, the City of Asheville has authority to operate a public enterprise; and

WHEREAS, pursuant to N.C.G.S. § 160A-17.1, the City of Asheville is permitted to apply for and accept grant-in-aid and loans from State governments and their agencies for performing any function the City of Asheville may be authorized by law to perform or provide; and

WHEREAS,The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction and studies, and

WHEREAS, The City of Asheville has need for and intends to construct or conduct a study on a drinking water treatment works, and/or drinking water distribution system project; and

WHEREAS, The City of Asheville intends to request State loan and/or grant assistance for the project of water treatment plant and distribution system planning and construction project upgrades; and

WHEREAS, this action aligns with Council goals for a clean and healthy environment;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

City Council hereby authorizes the Water Resources Department to apply for North Carolina Department of Environmental Quality - Division of Water Infrastructure (NCDEQ-DWI). Grants and/or State Revolving Funding, and further authorizes the City Manager to sign all documents associated with the acceptance of funds once awarded. The City shall comply with the following in connection with the approved action:

1. That City of Asheville (the “City”) will arrange financing for all remaining costs of the project, if approved for a State loan and/or grant award.
2. That the City will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.
3. That the governing body of the City agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the (unit of government) to make scheduled repayment of the loan, to withhold from the (unit of government) any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.
4. That the City will provide for efficient operation and maintenance of the project on completion of construction thereof.

5. That the Director of Water Resources, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the City with the State of North Carolina for a loan and/or grant to aid in the study of or construction of the project described above.
6. That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.
7. That the City has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Read, approved and adopted this 26th day of April, 2022.

CITY CLERK

MAYOR

Approved as to form:

CITY ATTORNEY